

18 December 1970

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NOTE FOR:

Listed below are matters which might come up during my absence.

(a) Retirement Legislation.

(1) Our bill is on the consent calendar, #857. Kal told Jack this morning that Earl Morgan would be hauncho for the Committee during Frank's absence and that Bill Cook would probably handle our bill. A list of the official objectors are attached. I would recommend we make an approach only if Committee staff agrees.

(2) Assuming House passage, Sharon or Rita has a draft letter for Helm's or Cushman's signature to OMB on the enrolled bill.

(3) Attached is a short statement (tab 1) on the retirement legislation for the Director's black book (hopefully by the time he returns it will have been approved by the President).

(b) S. 2984 - Social Security amendments. If S. 2984 is approved by the House or the President, recommend you include it as an item in the Director's book, perhaps something along the lines on the attachment (tab 2) (since the money that we presumably will be saving is for a program that Col. White approved, perhaps this should be first checked with him).

(c) You were going to put in something about the Defense Appropriations bill.

(d) Earl Voss, in Senator Robert Griffin's office, is interested in FBIS take on POW's. If  advises of any such items, it might be worth it to make a special trip to drop it off.

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(e) Rita or Sharon will be on the lookout for those items which offices have special interests in.

TAB I

CIA Retirement Act

The CIA Retirement Act amendments, which we finally managed to break clear of OMB as a result of your letter of 6 October 1970, were approved by the Senate on 10 December. The House Armed Services Committee heard Colonel White in executive session on the 17th with Philbin in the chair and everything went smoothly. The bill was reported out the same day and was approved by the House on \_\_\_\_\_.

Attached is General Cushman's response to OMB's request for Agency views on the bill before presenting it to the President.

As you will recall, the most important aspect of the bill was to increase the ceiling on the number of retirements we could make under the system. It also added a provision which, when implemented, will increase the CIA Retirement Fund by some \$28 million representing the matching contributions made principally by this Agency for participants while they were covered by the Civil Service system .

There were several other minor items which were strictly conforming amendments of our Act to the Civil Service Retirement Act in the areas of child survivors, commencement dates of annuities, and prior federal service credit.

S. 2984

During your absence a law was enacted which solved a special retirement problem for some of our contract employees and which makes it unnecessary to consider a costly special program to alleviate the problem. The law, although of general application, would permit some  Agency contract employees to get Civil Service retirement credit for certain contract service.

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Previously, contract service after 1 January 1955 subject to Social Security taxes could not be credited for Civil Service retirement. We were considering a special annuity program with an estimated cost of  billion to overcome this inequity.

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Although the bill is of general application, I believe we were able to help it along by giving it a nudge in OMB and working on the Chief Counsel of the House Ways and Means Committee.